

Small Business Loan Funds



**CDHR Presentation
April 29, 2008
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Business Improvement Loan Fund

Created: The Business Improvement Loan Fund (BILF) Program began in 1978.

Purpose: Encourage the revitalization of targeted business districts in the City of Atlanta and

To support commercial and industrial development in other eligible areas.

Loan Type: Used for Building Acquisitions, Renovations, Equipment, Working Capital and Inventory

2007 BILF Loans: Dynamic Dish – 437 Edgewood Ave. (Natural Food Store)

Azul Day Spa – 444 Bill Kennedy Way (Day Spa)

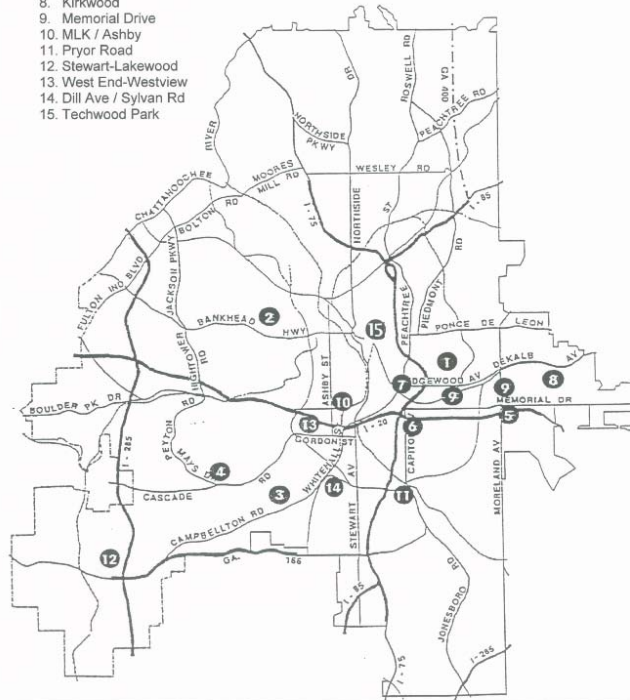
New Ideal Services – 2107 Metropolitan Pkwy (Tilden Car Service Franchise)

SB Consulting – 236 Auburn Avenue (Accountant/Tax Consulting)

Eligible Areas for Business Improvement Loan Fund

Business Improvement Loan Fund Eligible Areas

1. Auburn Avenue
2. Bankhead Highway
3. Campbellton Road
4. Cascade Road
5. East Atlanta
6. Georgia Avenue
7. Heart of Atlanta
8. Kirkwood
9. Memorial Drive
10. MLK / Ashby
11. Pryor Road
12. Stewart-Lakewood
13. West End-Westview
14. Dill Ave / Sylvan Rd
15. Techwood Park



Phoenix Loan Fund

Created: The Phoenix Fund was created in 1995 and is funded by Economic Development Administration and the City of Atlanta.

Purpose: The Fund assists small and medium-sized businesses with affordable loans.

Loan Type: Used for construction or renovation of privately owned commercial buildings, Equipment purchases, Working capital & Inventory. Can also be used for land acquisition.

Eligible Area: Citywide

2007 Phoenix Loan: Beaux Cheveux Salon – 1700 Northside Dr. (Full Service Salon)
Sun Food Corp (Taco Bell) – One CNN Ctr. (Restaurant)
Like The River Salon & Spa – 240 Highland Ave (Day Spa)

Opportunity Loan Fund

Created: The Fund was created by the City of Atlanta in 2006.

Purpose: The purpose of the Opportunity Loan Fund (“Let Atlanta Soar”) is to stimulate job creation in the City of Atlanta.

Loan Type: “Gap” financing to assist small and medium-sized businesses that create at least five new jobs in the City of Atlanta

ADA will provide loans of \$100,000 to \$200,000 at an interest rate of one-half of the current prime interest rate, plus 2% with a minimum rate of 4%.

Eligible Area: Citywide

2007 Opportunity Loans: Vertical Properties – 1599 Memorial Dr. (Medical Apparel Manufacturing Co.)

Max Lager’s – 320 Peachtree Street (Restaurant)

West P’tree Bakery (Aubon Pain) – 30 Allen Plaza (Restaurant)

J.C. Mets – 1099 ML King Drive (Dental Office)

SBA Loan Fund

As facilitator for Small Business Administration (SBA) 504 Debenture financing, ADA provides:

- Financial and technical assistance to small, minority and female-owned businesses to expand and/or relocate in the City

Revolving Loan Funds Performance

(Thirteen year period ended 3/31/08)

	<u>Total</u>	<u>Percent</u>	<u>BILF</u>	<u>Phoenix</u>	<u>Opportunity</u>
Jurisdiction			Targeted	City-wide	City-wide
Loan Limit			\$50,000	\$100,000	\$200,000

Last 13 Years

Number of Loans	140		91	45	4
Amount Loaned	\$6.4M		\$2.8M	\$3.0M	\$.6M
Private Funds Leveraged	\$28.6M		\$6.2M	\$20.0M	\$2.4M
Totals	\$35.0M		\$9.0M	\$23.0M	\$3.0M
Available Cash	\$1,100,000		\$600,000	\$100,000	\$400,000
Default Rate			22%	20%	0%

Our Borrowers

(Thirteen year period ended 3/31/08)

	Total	Percent %	BILF	Phoenix	Opportunity
<u>Loans to:</u>					
Start up Businesses	\$2.6M	40%	\$1.2M	\$1.4M	\$0.0M
Expansions	\$3.8M	60%	\$1.6M	\$1.6M	\$0.6M
		100%			
Minority-Owned Businesses	\$4.2M	65%	\$2.3M	\$1.6M	\$0.3M
Women-Owned Business	\$1.8M	28%	\$0.7M	\$1.0M	\$0.1M

Credit Review Committee Banks & City Representation



City of
Atlanta
Online



Future Seminar Dates

- May 28, 2008
- June 25, 2008
- July 30, 2008
- August 27, 2008
- September 24, 2008
- October 29, 2008
- November 26, 2008 (May change due to Thanksgiving Holiday)

All sessions will start at 5:00pm at the office of Atlanta Development Authority, 86 Pryor street, Suite 300 Atlanta, Georgia 30303

Dates are subject to change

The seminar program began January 2007. As of today we have had 307 participants through the program.

Technical Assistance

- Georgia State University Development Center – Mary Phillips
 - 404.413.7830
 - www.gsu.edu/sbdc
- Georgia Statewide Minority Business Dev. Center – Donna Ennis
 - 404. 894.2096
 - www.georgiaMBDC.org
- Women Economic Development Agency
 - 678-904-2201
 - www.weda-atlanta.org

For more information visit our website at
www.AtlantaDA.com